

CHAPTER 27 IOWA GRANT PROGRAM

283—27.1(261) State-supported grants. The Iowa grant program is a state-supported and administered grant based on financial need to Iowa residents enrolled at approved institutions of postsecondary education in Iowa.

27.1(1) Definitions. As used in this chapter:

“Accredited higher education institution” means any public or private institution of higher learning located in Iowa which is accredited by the North Central Association of Colleges and Secondary Schools.

“Financial need” means the difference between the student’s financial resources, including resources available from the student’s parents and the student, as determined by a completed parent’s or student’s financial statement, and the student’s anticipated expenses while attending the accredited higher education institution. Any federal, state, institutional, and private aid, other than work-study, shall also be considered an available resource. Financial need shall be determined at least annually. The application form must be received by the needs analysis processor by the deadline date specified by the commission.

“Full-time resident student” means an individual resident of Iowa who is enrolled at an accredited higher education institution in a course of study including at least 12 semester hours or the trimester or quarter equivalent. “Course of study” does not include correspondence courses.

“Part-time resident student” means an individual resident of Iowa who is enrolled at an accredited higher education institution in a course of study including at least three semester hours or the trimester or quarter equivalent. “Course of study” does not include correspondence courses.

“Qualified student” means a resident student who has established financial need and who is making satisfactory progress toward graduation.

“Tuition and mandatory fees” means those college costs paid annually by all students enrolled on a full-time basis, such costs to be reported annually to the commission by each participating institution.

27.1(2) Student eligibility. A recipient must be an Iowa resident who is enrolled for at least three semester hours or the trimester or quarter equivalent in a program leading to a degree from an eligible Iowa institution. The criteria used by the state board of regents to determine residency for tuition purposes, 681 IAC 1.4(262), are adopted for this program.

27.1(3) Self-supporting applicants. For purposes of determining financial independence, the commission has adopted the definition in use by the U.S. Department of Education for the federally funded student assistance programs. Self-supporting applicants must certify their status on the financial aid form and supply any required documentation to the educational institution.

27.1(4) Award limits and eligibility requirements.

a. A grant may be awarded to any qualified person who is accepted for admission or is enrolled for at least three semester hours, or the trimester or quarter equivalent in a program leading to a degree from an approved, accredited higher education institution and who demonstrates financial need.

b. The annual amount of the grant to a full-time student shall not exceed a student’s financial need or \$1,000, whichever is less.

c. The maximum amount of a grant to a part-time student shall be prorated by dividing the maximum yearly grant amount by 24 semester hours or the trimester or quarter equivalent, and multiplying that amount by the number of hours the student is enrolled.

d. Grants shall be awarded on an annual basis and shall be credited by the institution against the student’s tuition, fees, and room and board charges at the beginning of each term in equal installments upon certification that the eligible student is enrolled.

e. If, after crediting the amount of the grant to the student’s tuition, fees, and, if applicable, room and board charges, a credit balance remains, the institution may distribute the grant balance to the student who may use the proceeds for other bona fide education expenses such as books, equipment, and transportation.

f. If a student receiving a grant under the program discontinues attendance before the end of any academic period, but after receiving payment of grant funds for the academic period, the entire amount of any refund due the student, up to the amount of any payments made by the state, shall be distributed as follows:

(1) If an initial institutional allocation was made and funds are available due to the refund, the institution may offer additional awards, but in no case may an institution exceed its annual allocation.

(2) If institutional allocations are not made, then any refunds must be returned to the commission.

27.1(5) *Extent of grant.* A qualified full-time student may receive grants for not more than eight semesters of undergraduate study or the trimester or quarter equivalent. A qualified part-time resident student may receive grants for not more than 16 semesters of undergraduate study or the trimester or quarter equivalent.

27.1(6) *Application process.*

a. Eligible students shall apply for this grant through the use of an approved financial aid form, which uses the federally accepted method of needs analysis.

b. Institutions shall coordinate aid packages to ensure that this grant program supplements rather than supplants federal and institutional gift aid awards and shall report need figures to the commission.

c. The institution shall clearly identify the Iowa grant on the student's aid award notice.

d. A student shall accept all available federal and state grants before being considered for grants under this program.

27.1(7) *Full year of study.* For purposes of this program, the commission has defined full year of study as either three quarters or two semesters. Grant payments are prorated according to this definition.

27.1(8) *Priority for grants.*

a. Applicants are ranked in order of the estimated amount which the family reasonably can be expected to contribute toward college expenses; and awards are granted to those who demonstrate need in order of family contribution, from lowest to highest, insofar as funds permit.

b. Funds will be allocated to the sectors according to the appropriations language.

c. If funds are insufficient to pay all approved grants, applicants who have the greatest demonstrated financial need, based on a total family contribution, will receive priority assistance.

d. If funds are insufficient to help all students with no means of contribution to their educational expenses, institutional allocations will be made based on that institution's applicant profiles as a percentage of the total sector profiles, and institutional aid administrators will be called on to select students to receive grants.

27.1(9) *Award notification.* A grant recipient is notified of the award by the educational institution to which application is made. Any award notification provided by an institution on probation with the accrediting agency must be made contingent upon the institution's maintaining affiliation with the accrediting agency. The institution is responsible for completing necessary verification and for coordinating other aid to ensure compliance with student eligibility requirements and allowable award amounts. The institution reports changes of student eligibility to the commission.

27.1(10) *Award transfers and adjustments.*

a. Awards may be transferred among eligible institution(s) unless funding limitations require institutional allocations.

b. Recipients are responsible for promptly notifying the appropriate institution of any change in enrollment or financial situation. The educational institution will make necessary changes and notify the commission.

27.1(11) *Restrictions.* A student who is in default on a Stafford Loan, SLS Loan, or a Perkins/National Direct/National Defense Student Loan or who owes a repayment on any Title IV grant assistance or state award shall be ineligible for assistance under the Iowa grant program. Eligibility for state aid may be reinstated upon payment in full of the delinquent obligation or by commission ruling on the basis of adequate extenuating evidence presented in appeal under the procedure set forth in 283—Chapter 5, Iowa Administrative Code.

27.1(12) *Institutional reporting.* The commission will monitor the program according to this chapter and will require participating postsecondary institutions that receive funds for enrolled students to furnish any information necessary for the implementation or administration of the program.

This rule is intended to implement Iowa Code sections 261.93 and 261.97.

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